

August 6, 2012

Postal Regulatory Commission  
901 New York Avenue NW, Suite 200  
Washington, DC 20268-0001

Re: Docket No. MC2012-31 – Reply Comments Regarding Addition of Every Door  
Direct Mail – Retail to the Product List

To the Commission:

MAIL BOXES ETC., INC. (MBE), a Delaware Corporation, licenses its retail business system and certain marks, including “The UPS Store,” to independently owned and operated franchisees. Currently, MBE, as franchisor, has granted franchise rights to over 4,000 franchisees in the United States. Each of these franchise locations is independently owned and operated by individuals dedicated to supporting the print, mailing, and other needs of small and medium businesses in their communities.

MBE files these Reply Comments in support of the Postal Service adding Every Door Direct Mail – Retail (EDDM-R) to the market-dominant product list, and to address comments made by other parties opposing such addition.

EDDM-R is a unique program that allows small and medium-sized businesses to reach out to their local communities in a simplified and cost efficient manner. It provides these businesses access to an economical saturation mailing program, previously available only to large mailers. As MBE is an organization consisting of over 4,000 small businesses, we are particularly aware of the need for alternative forms of local advertising outreach in order to grow our businesses as well as the small and medium-sized businesses in our communities.

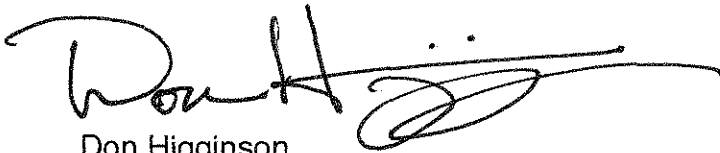
The initial success of EDDM-R outlined by the Postal Service is a testament to the need for such services for small and medium-sized business mailers nationwide. In addition to better enabling local community outreach, EDDM-R also helps the Postal Service increase mail volume in one of its most profitable mail products – Saturation Mail Flats. This is truly a “win-win” for local mailers and the Postal Service.

Other filers state that the Postal Service has not adequately vetted the revenue and costs associated with EDDM-R. However, we suggest that the Postal Service has been mailing saturation flats for many years now, with very favorable cost coverage. We believe that even if minor cost and revenue modifications are required as additional data become available, they will not likely significantly alter the favorable cost coverage of EDDM-R.

In addition, one filer suggests that the Postal Service may be seeking specific vendors with national footprints, potentially "knocking out" small local printers from the market (NNA Comments at 13-14). We believe that this notion fundamentally contradicts the value proposition of EDDM-R, where local printers and mailers are given access to a mailing program previously enjoyed by only large, saturation-density capable mailers. If anything, EDDM-R gives smaller mailers and print shops more business opportunities, not fewer.

We appreciate the Commission's consideration of these Reply Comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Higginson", with a long horizontal flourish extending to the right.

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